



### REMARKS

The Office Action dated June 15, 2006 has been received and carefully reviewed. The following remarks form a full and complete response thereto. Claims 8-12 are withdrawn from consideration. Claims 1-7 and 13-17 are pending in the present application and are submitted for reconsideration.

Claims 1-7 and 13-17 were rejected under 35 U.S.C. § 102(b) as alleged being anticipated by U.S. Patent 5,682,142 by Loosmore et al. ("Loosmore"). Applicants respectfully traverse the rejection and submit that claims 1-7 and 13-17 recite subject matter not disclosed by Loosmore.

The claimed invention is directed to a material management system and a method thereof, which can be applied to a system for managing procurement and sale of materials and products, allowing materials to be received and issued in a first-in-first-out manner that, materials received at earlier material-receiving dates are prior at be issued for use, so that problems of material hoarding and expiring material validity can be eliminated, as recited in the abstract of the present invention.

As recited in independent claims 1 and 13 of the present invention, a use is allowed to transmit at a terminal device material-receiving data to a network management server, and the network management server, after receiving and integrating the material-receiving data, initiates and establishes the connection with one of a plurality of material database servers that provides material-receiving data service according to types of the material-receiving data, and inputs the material-receiving data

to the material database server and stores the material-receiving data in a material database of the material database server in an order of material-receiving dates.

Loosemore fails to disclose the claimed configuration of the present invention. Loosmore does not describe or disclose a method for a material management system including a network management server or a material database server, as claimed. Further, Loosmore does not disclose a material database as claimed.

The manufacturing facility disclosed in columns 8 and 9 of Loosmore referenced by the Examiner to reject the present invention fails to teach any techniques relating to computer/server, database or network management system, such as transmitting at a terminal device material-receiving data to a network management server, the network management server, after receiving and integrating the material-receiving data, initiating and establishing the connection with one of a plurality of material database servers that provides material-receiving data service according to types of the material-receiving data, and inputting the material-receiving data to the material database server and storing the material-receiving data in a material database of the material database server in an order of material-receiving dates, as recited in independent claims 1 and 13 of the present invention.

In contrast to the present claimed invention, Loosmore establishes that a centralized database and a centralized processor are shortcomings (col. 1, lines 17-18) and highlights the independent nature of the described "nodes" (col. 1, lines 44-45). Paradoxically, the Examiner contends that cols. 8 and 9 disclose servers and databases while at the same time the Examiner concedes that "Loosmore et al does not explicitly

teach how the information is stored” (page 5 of the Office Action, last paragraph). The concession is correct and Loosmore does not disclose servers and databases. If, for example, any inventory nodes are outside of a capture zone (col. 4, lines 30-34), their signals are attenuated (col. 5 lines 1-2), or are without power (battery dead or solar cell unilluminated, col. 4, lines 26-27), product information and quantities (see col. 8, line 66- col. 9 line 3 of Loosmore) cannot be stored and/or provided with respect to such inventories—that is, inventory data would be incomplete and in error. In accordance with the present claim, material-receiving data are inputted to the material database server and stored in a material database of the material database server without regard to the location of the inventory.

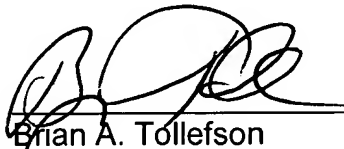
Similarly, Loosmore does not describe or disclose each and every element set forth in claim 13. For example, and without limitation, Loosmore does not describe or disclose a system for being applied to a material management system comprising a network management server and a material database server, as claimed. Further, Loosmore does not disclose a material database as claimed. With respect to claim 13, the Examiner does not assert that Loosmore discloses a database or a server.

Therefore, independent claims 1 and 13 of the present invention are patentable at least for the above stated reasons. Claims 2-7 and 14-17, dependent on claims 1 and 13 respectively, are therefore patentable at least for at least the same reasons. Applicants therefore respectfully request that the Examiner withdraw the rejections of claims 1-7 and 13-17. Applicants request that claims 8-12 be rejoined in the application and that claims 1-17 be allowed.

If any extension of time is required in connection with the filing of this paper and has not been requested separately, such extension is hereby requested. Please charge any fee deemed to be due to Counsel's deposit account number 022135.

If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Brian A. Tollefson', is written over a horizontal line.

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